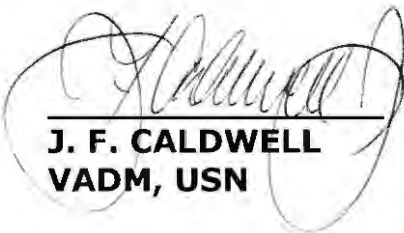


NAVAL INSPECTOR GENERAL

REPORT OF INVESTIGATION

Subj: SENIOR OFFICIAL CASE 201403775; ALLEGATION OF
IMPROPERLY PROVIDING ALCOHOLIC BEVERAGES AT A
COMMAND FUNCTION WITHOUT OBTAINING PROPER
AUTHORIZATION BY MS. LINDA NEWTON




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Office of the Naval Inspector General

Case Number: 201403775

Report of Investigation

25 MARCH 2015

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Preliminary Statement

1. On 14 November 2014, Commander, U. S. Pacific Fleet (COMPACFLT) Inspector General (IG) received an anonymous complaint. The complainant alleged that on 15 August 2014, Ms. Linda Newton, Executive Director, Command, Control, Communications, Computers and Intelligence, Chief Financial Officer (C4I/CIO), U. S. Pacific Fleet, a Senior Executive Service (SES) employee, held a celebratory function in the N6 conference room of the COMPACFLT spaces during work hours and provided alcoholic beverages at the event, in violation of the command's alcohol policy. On 9 December 2014, the COMPACFLT IG referred the complaint to the Office of the Naval Inspector General (NAVINSGEN).

2. One allegation was identified for investigation. The allegation and associated conclusion is listed directly below:

Allegation: That Ms. Linda Newton improperly served alcoholic beverages at a command social event without obtaining the required approval from Commander, U.S. Pacific Fleet in violation of OPNAVINST 5350.4D, dated 4 Jun 2009, Navy Alcohol and Drug Abuse Prevention and Control; OPNAVINST 1700.16A, dated 7 June 2012, Alcoholic Beverage Control; NAVSTAPEARLINST 1746.1, dated 2 Feb 1998, Regulations Governing Alcoholic Beverages within Naval Station, Pearl Harbor.

Conclusion: The allegation is substantiated.

3. From 6 January 2015 through 25 February 2015, NAVINSGEN interviewed three witnesses and Ms. Newton. On 19 March 2015, NAVINSGEN forwarded a preliminary report of investigation, which

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set forth our tentative conclusion and provided a summary of the relevant evidence, to Ms. Newton for her review and comment. On 20 March 2015, Ms. Newton provided a written statement in reply to our tentative conclusion letter stating she had nothing further to add. (Newton email, dtd 20 MAR 2015)

Background

4. Ms. Newton reported to her position in June 2002. As the Deputy Chief of Staff for C4I, Ms. Newton is responsible for ensuring operational C4I capability for all afloat and ashore commands in the U.S. Pacific Fleet. As the CIO, she is actively engaged in strategic C4I and Information Technology (IT) initiatives within the Department of the Navy, the US Pacific Command, and the U.S. Pacific Fleet.

Findings of Fact

5. The complaint alleged that, on Friday, 15 August 2014, in the N6 conference room of building 251 in the COMPACFLT spaces, Ms. Newton provided alcoholic beverages to command personnel during official work hours. The complaint stated that young "summer hire" personnel, inspectors from the recent cyber security inspection, as well as representatives of another command, were present. The complaint alleged that Ms. Newton directed an employee to purchase the alcoholic beverages and gave the employee money to do so. (Complaint)

6. (b)(6)(b)(7)(C) testified that she is a Program Analyst (GS-9), and has worked for COMPACFLT for over (b)(6)(b)(7)(C). Her duties involve planning official travel through the Defense Travel System and coordinating security for all administrative staff, both military and civilian. She advised that Ms. Newton is her (b)(6)(b)(7)(C). ((b)(6)(b)(7)(C) transcript, pp. 4-5)

7. (b)(6)(b)(7)(C) stated that the command had a security inspection and upon learning that they had passed the inspection, Ms. Newton planned a social event for the staff in the N6 conference room to celebrate their success and suggested wine as a beverage for the event. (b)(6)(b)(7)(C) did not recall Ms. Newton asking her to seek authorization for the consumption of

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alcoholic beverages in the work spaces, and she did not believe Ms. Newton sought authorization herself. (b)(6)(b)(7)(C) transcript, pp. 6-10)

8. (b)(6)
(b)(7) reported that approximately 30 - 35 people attended the celebration, and that food and beverages were available to the attendees. She stated that one-half of one bottle and three-fourths of another bottle of wine were consumed at the celebration. The third bottle of wine was not opened.

(b)(6)(b)(7)(C) indicated that one of the inspectors who attended the event expressed that he liked the wine, and (b)(6)
(b)(7) gave him the unopened bottle to take with him upon departure. (b)(6)(b)(7)
(C) transcript, pp. 9-12)

9. (b)(6)
(b)(7) for Operations (GS-15), COMPACFLT, testified that she has been the (b)(6)(b)(7)(C) (GS-15) for COMPACFLT in the (b)(6)
(b)(7) Directorate since (b)(6)(b)(7)
(C). She stated that her duties involve responsibility for the command's Navy-Marine Corps Intranet (NMCI), information assurance, software application development, and the IT efficiency consolidation. (b)(6)
(b)(7) advised that Ms. Newton is her (b)(6)(b)(7)(C) transcript, pp. 4-5)

10. (b)(6)
(b)(7) recalled the celebratory luncheon that was held in August 2014 in the N6 conference room after an "arduous [cyber security] inspection." She stated that 30 - 40 people were present. (b)(6)
(b)(7) could not recall who drank the wine but opined that not many attendees did as one bottle of wine was empty, another was partially full, and one bottle of wine was unopened. She recollected that, at the conclusion of the event, they were dispensing with the leftovers and gave the unopened bottle of wine to one of the inspectors who attended the luncheon. (b)(6)
(b)(7) could not recall if their command had any other command events where alcohol was present and remarked that the August 2014 event was an exception. She commented on the magnitude of the inspection and the team that worked hard to ensure their success. (b)(6)(b)(7)(C) transcript, pp. 6-9)

11. (b)(6)
(b)(7) testified that she has been the (b)(6)(b)(7)(C) (b)(6)(b)(7)
(C) COMPACFLT (b)(6)(b)(7)(C)), for (b)(6)
(b)(7) years and (b)(6)(b)(7)(C) months, and her duties entailed responsibility for computers and communications systems for the COMPACFLT. (b)(6)
(b)(7) advised that she worked directly for Ms. Newton, the N-6. (b)(6)
(b)(7) ; testimony regarding the August 2014 celebratory luncheon mirrored the testimony of (b)(6)
(b)(7) , with the exception that

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(b)(6)
(b)(7) recalled that two bottles (not three bottles) of champagne (not wine) were present at the event, and only one bottle was opened. She related that the champagne was mostly consumed by the inspectors from the inspection team, and that no active duty personnel consumed any of the alcoholic beverages. She opined that, of the three or four civilians who drank the champagne, they consumed a "very minimal" amount, and she stated that (b)(6)(b)(7)(C) gave the unopened bottle to one of the inspectors. (b)(6)(b)(7)(C) transcript, pp. 4-10)

12. Ms. Newton testified that she reported to her position around June 2002. Ms. Newton recalled that their command had a cyber-security inspection in August 2014, and learned on Thursday, 14 August 2014, that they had passed the inspection. As preparation for the inspection had been extensive, she and then- (b)(6)(b)(7)(C), along with some of the administrative staff, planned a luncheon for the next day, Friday, 15 August 2014, to thank everyone for their hard work. Ms. Newton stated that they decided on pizza, and she offered to pay for the pizza. Ms. Newton advised that she also suggested buying a few bottles of Prosecco, an alcoholic Italian sparkling wine/champagne, in the event anyone wanted to toast to their success. (Newton transcript, pp. 4-10)

13. Ms. Newton testified that three bottles of Prosecco (normal sized wine bottles) were served in the conference room where the luncheon was held. (Newton transcript, pp. 12-13) Ms. Newton stated that the bottles of Prosecco were the only beverages they purchased for the event, as the command has a "mess" area which included a refrigerator with soda and water for sale. Attendees either purchased drinks from the "mess" or brought their own. (Newton transcript, pp. 19-20)

14. Approximately 50 people attended the luncheon, including employees of N6 (military, civilians, and contractors), and other employees outside of N6 who had assisted with the inspection, as well as the inspection team. Ms. Newton related that she opened two bottles of Prosecco, and left the third bottle unopened. She did not see who partook of the drink. She testified that, at the conclusion of the luncheon, she poured the remaining wine from the two opened bottles into the sink to dispose of it. Ms. Newton testified that the attendees consumed one-third of one bottle and one-fourth of the second bottle. Ms. Newton stated that she did not see the third, unopened

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bottle, and is unaware of who took it. (Newton transcript, 13-15)

15. Ms. Newton testified that, to her knowledge, there were no alcohol incidents resulting from the consumption of the wine at the luncheon, and she did not expect there would be any based on the small amount of Prosecco that was consumed. She advised that she was unaware of the instructions pertaining to the sale, possession, and consumption of alcohol on base and had no knowledge at the time that she had to obtain authorization. Had she known of the existing OPNAV and Pearl Harbor instructions, Ms. Newton testified that she would have sought the requisite approval. She advised that aside from this event, she has never provided alcoholic beverages for consumption at command events. (Newton transcript, pp. 17-20)

16. NAVINSGEN finds that the August 2014 luncheon held during normal working hours to celebrate the successful completion of the command's "arduous [cyber-security] inspection," and to thank employees for the hard work and contributions they provided was a command-sponsored function.

Applicable Standards

17. **Allegation:** That Ms. Linda Newton improperly served alcoholic beverages at a command social event without obtaining the required approval from Commander, U.S. Pacific Fleet in violation of OPNAVINST 5350.4D, dated 4 Jun 2009, Navy Alcohol and Drug Abuse Prevention and Control; OPNAVINST 1700.16A, dated 7 June 2012, Alcoholic Beverage Control; NAVSTAPEARLINST 1746.1, dated 2 Feb 1998, Regulations Governing Alcoholic Beverages within Naval Station, Pearl Harbor.

Applicable Standards

18. OPNAVINST 5350.4D, dated 4 Jun 2009, Navy Alcohol and Drug Abuse Prevention and Control.

6. Policy.

. . . .

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f. Navy does not condone consumption of alcoholic beverages during normal working hours. Commanders, commanding officers, and Officers-in-Charge (OICs) may authorize consumption of alcoholic beverages during normal working hours for official functions, ceremonies, and other infrequent command-sponsored events.

. . . .

19. OPNAVINST 1700.16A, dated 7 June 2012, Alcoholic Beverage Control.

. . . .

3. Policy. Use of alcoholic beverages on naval installations must be consistent with the overriding need for military readiness, discipline, and community safety. In meeting this objective the sale, purchase, possession, and consumption of alcoholic beverages will be governed by the following considerations:

. . . .

e. Except as specifically authorized in this instruction, sale, purchase, possession, and consumption of alcoholic beverages within any military installation or vessel under naval jurisdiction is prohibited.

. . . .

6. Sale, Possession, and Consumption by the Drink. The CNO or commanders designated by CNO may authorize:

a. Sale and consumption of alcoholic beverages by the drink in appropriate locations on board naval installations. These activities may include (the below list is not all inclusive):

- (1) Officers' messes and clubs.
- (2) Chief petty officers' messes.
- (3) Petty officers' messes.
- (4) Staff non-commissioned officers' clubs.
- (5) Enlisted messes.
- (6) Golf course club houses.

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- (7) Morale, welfare, and recreation catering, clubs, and conference centers.
- (8) **Areas designated by installation commanders for command entertainment or organized social functions on an occasional basis. (Emphasis added.)**

. . . .

d. With respect to paragraphs 6a and 6b, the following shall have approval authority for activities under their cognizance:

- (1) Vice Chief of Naval Operations;
- (2) Commander, U.S. Fleet Forces Command;
- (3) **Commander, U.S. Pacific Fleet; (Emphasis added.)**
- (4) Commander, U.S. Naval Forces Europe;
- (5) Commander, Navy Installations Command;
- (6) Commanders of Navy Regions; and
- (7) Commanding Officers of Navy installations.

20. NAVSTAPEARLINST 1746.1, dated 2 Feb 1998, Regulations Governing Alcoholic Beverages within Naval Station, Pearl Harbor, Hawaii.

. . . .

9. Consumption. Reference (b) lists the authorized places for consumption of alcoholic beverages within the naval shore establishment. Alcoholic beverages may be consumed at the following locations.

<u>LOCATION</u>	<u>TYPES OF ALCOHOLIC BEVERAGES AUTHORIZED</u>
Lockwood Hall Officer's Club and Lanai	Beer, wine and distilled spirits
Beeman's Center (CPO & Enlisted Club)	Beer, wine and distilled spirits
Grenfell, Cromwell and Lockwood Pool Areas	Beer
SUBASE Bowling Center	Beer

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BOQ (Lounge areas and
Rooms only)

Beer, wine and distilled
spirits

. . . .

d. In addition to the above, the Commanding Officer may authorize certain additional areas where alcoholic beverages may be consumed on an occasional basis for command-sponsored functions. (Emphasis added.)

Analysis

21. OPNAVINST 5350.4D, dated 4 Jun 2009, *Navy Alcohol and Drug Abuse Prevention and Control*, states Navy policy that the consumption of alcoholic beverages during normal working hours is not condoned. It permits, however, commanders, commanding officers, and Officers-In-Charge (OICs) to authorize consumption of alcoholic beverages during normal working hours for official functions, ceremonies, and other infrequent command-sponsored events.

22. OPNAVINST 1700.16A, dated 7 June 2012, *Alcoholic Beverage Control*, provides that possession and consumption of alcoholic beverages within any military installation or vessel under naval jurisdiction is prohibited except as specifically authorized, but allows the sale and consumption of alcoholic beverages "by the drink" in areas designated by installation commanders for command entertainment or organized social functions on an occasional basis. OPNAVINST 1700.16A notes that, *inter alia*, Commander, U.S. Pacific Fleet, is a designated approval authority for activities under his cognizance.

23. In addition, NAVSTAPEARLINST 1746.1, dated 2 Feb 1998, *Regulations Governing Alcoholic Beverages within Naval Station, Pearl Harbor, Hawaii*, lists locations on base where alcoholic beverages may be consumed. In addition to the listed locations one would expect to find alcoholic beverages served, the instruction states that the Commanding Officer may authorize certain additional areas where alcoholic beverages may be consumed on an occasional basis for command-sponsored functions.

24. In the present case, in August 2014, Ms. Newton planned a luncheon in command spaces during work hours to celebrate the successful completion of the command's "arduous [cyber-security] inspection," and to thank employees for the hard work and

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contributions they provided. We find that this was a command-sponsored event held during normal working hours under OPNAVINST 5350.4D in which the commander, commanding officer, or an OIC could authorize consumption of alcoholic beverages. Pursuant to OPNAVINST 1700.16A and NAVSTAPEARLINST 1746.1, Commander, U.S. Pacific Fleet, is the designated approval authority for activities on Naval Station, Pearl Harbor, and as such, may authorize the consumption of alcoholic beverages "by the drink" at designated locations on base for organized social functions on an occasional basis.

25. We note that, although Ms. Newton is a civilian SES employee of the Federal Government, she is not a commander, commanding officer, or an OIC, as those are specific terms identifying positions within a command or organization that she does not occupy. Accordingly, Ms. Newton had no authority, herself, to authorize the consumption of alcoholic beverages at a command-sponsored function. Based upon the facts, we also find that she did not seek the requisite approval from Commander, U.S. Pacific Fleet, the proper approval authority, to purchase and offer alcoholic beverages for consumption at the August 2014 celebratory social function. Had Ms. Newton secured the required approval, she would have been authorized to offer wine "by the drink" to attendees at the luncheon. Although we find that Ms. Newton was not aware of the applicable instructions, and therefore did not intend to disregard them when she offered the Prosecco at the luncheon onboard Naval Station, Pearl Harbor, she nonetheless violated the applicable instructions listed above.

Conclusion: The allegation is substantiated.

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